(1) A copy of each so-called "correction of deficiency" clause in a contract with the prime contractor for the B-2 aircraft program in effect as of the date of the submission of the report.

(2) The plans of the Department of Defense for meeting the requirements of subsection (b) of section 2403 of title 10, United States Code, in future contracts for the procurement of B-2 aircraft, including a copy of any specific contract clause that has been agreed to by the Air Force and the contractor under that subsection.

(3) The manner in which inspection or acceptance by the Air Force will affect the relative liability of the Government and the contractor—

(4) under the contract clauses referred to in paragraphs (1) and (2), and

(5) under the plans referred to in paragraph (2) for compliance with the contractor guarantee requirements referred to in that paragraph.

(6) SUBMISSION OF REPORTS.—The first report required by subsection (a) shall be submitted not later than 30 days after the date of the enactment of this Act. The second report shall be submitted in conjunction with the certification under section 111(bX3).

(7) PROTECTION OF PROPRIETARY INFORMATION.—The reports required by this section shall be submitted in classified and unclassified versions and shall clearly identify any material that contains proprietary information or other source selection information, the disclosure of which is restricted by law or regulation.

(8) MODIFICATION OF CORRECTION-OF-DEFICIENCY CLAUSES.—(1) The Secretary of the Air Force shall take appropriate steps to ensure—

(9) that the procurement of all B-2 aircraft authorized for fiscal years 1989 and 1990 is subject to a contractor guarantee pursuant to section 2403 of title 10, United States Code; and

(10) that the prime contractor for such aircraft is required to assume a substantially greater responsibility for the cost of corrective actions required under section 2403(b) of such title than under existing contracts for B-2 aircraft.

(11) Notwithstanding section 2403(g) of such title, the Secretary may not negotiate exclusions or limitations on the prime contractor's financial liability for the cost of corrective action for defects under section 2403(b) of such title for the B-2 aircraft referred to in paragraph (1) that would result in the total of such liability for such costs being less than the total of the contractor's target profit on the production of such aircraft unless the Secretary determines that the specific benefits of such exclusions or limitations substantially outweigh the potential costs.

(12) Whenever the Secretary makes a determination under para-

graph (2), the Secretary shall notify the congressional defense committees of that determination and shall include in such notification the specific reasons for such determination and copies of any relevant exclusions or limitations.

(13) The Secretary shall describe in the reports required by subsection (a) the steps the Air Force has taken under this subsection.

(5) Nothing in this section shall be construed to require the renegotiation of any contract in effect on the date of the enactment of this Act.